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ABSTRACT

For a competitive advantage, Ohio must be sensitive to three national trends that will reshape its work force: the growing gap between the skill requirements of jobs and workers' capabilities, the slow growth of the labor force, and demands of a global economy. The future competitiveness of Ohio's economy will depend on its capacity to support the development of high performance organizations. A comprehensive work force development strategy for retraining Ohio's current labor force must be designed. Ohio's work force development mission is to achieve and maintain a high performance work force. Development strategies should be directed at three essential goals: to make Ohio businesses more competitive in the global marketplace; to ensure that all Ohioans achieve the skills and abilities needed to succeed in a high performance workplace; and to help all Ohio families to become self-sufficient. Four strategies are recommended to achieve these goals: create a high performance business climate; improve the performance of Ohio's education system to ensure that all students acquire the basic skills necessary to compete in a global economy; establish comprehensive and coordinated work force training programs that will help all workers acquire the skills and abilities needed to function effectively in high performance organizations; and remove the major barriers to employment and self-sufficiency for Ohio workers and families. (YLB)

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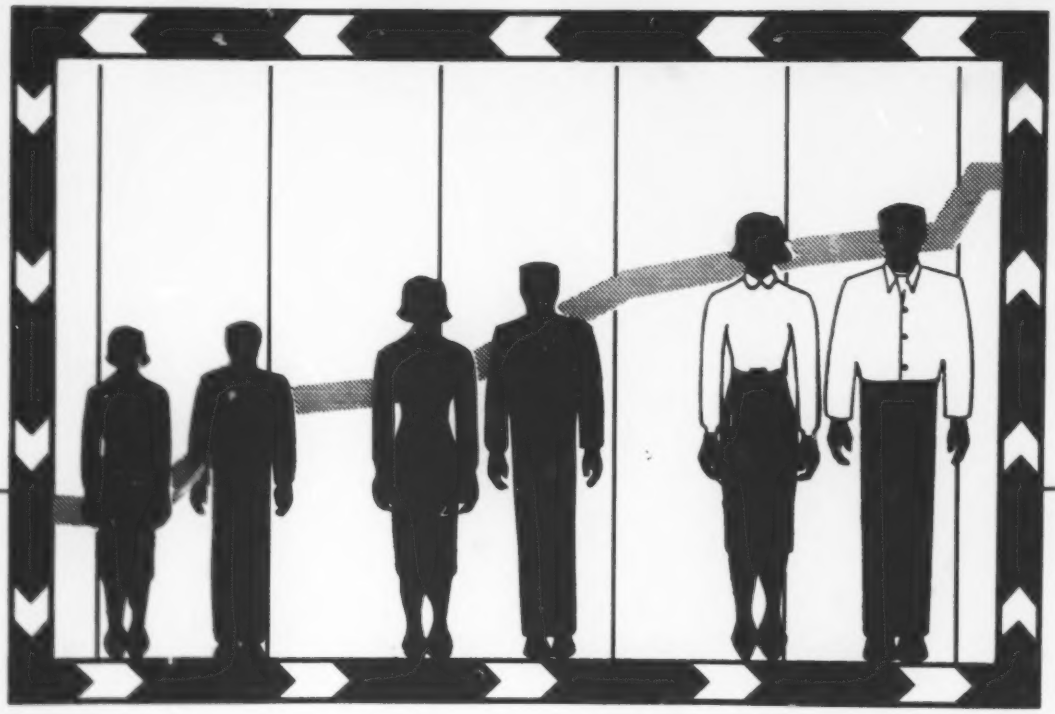

# JOBS: OHIO'S FUTURE

## Creating a High Performance Workforce for Ohio

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# JOBS: OHIO'S FUTURE

## Creating a High Performance Workforce for Ohio

*A Comprehensive Workforce Development Strategy*
*Developed by the*
*Governor's Human Resources Advisory Council*

George V. Voinovich, *Governor*

Debra R. Bowland, *Administrator*
The Ohio Bureau of Employment Services

Patricia L. Clonch, *Chair*
Governor's Human Resources Advisory Council

**1992**
**(Revised 6/93)**

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# Preface

Since 1969, our nation's productivity growth — more products and services from every member of the workforce — has slowed to a crawl. During these years, growth in the nation's economy — like Ohio's — has reflected an increase in the number of working men and women, not the improved productivity of workers. As a result, our "real" incomes have not increased, and the wage gap between the state's educational "haves" and "have nots" has grown considerably.

In Ohio and across the nation, these facts point to an impending skills crisis — one that David Kearns, Assistant U.S. Secretary of Education and the former chairman of Xerox Corporation, has described as "the makings of a national disaster." Recognizing the seriousness of this situation, Governor George V. Voinovich established the Governor s Human Resources Advisory Council in April 1991 to advise him on the policies, coordination and evaluation of all workforce development programs in Ohio.

One month later, Governor Voinovich directed the newly-established Council to produce a comprehensive workforce development strategy for the State of Ohio. He asked it to "review all job training and jobs programs funded by federal and state government, and to determine the most cost-effective way to use this money."

The Governor's charge came at a critical juncture in the evolution of Ohio's economy. Therefore, he asked the Council to examine the changing structure of business and labor, and to analyze the problems caused by the mismatch of skills to jobs. He directed the Council to investigate existing barriers to employment and to develop strategies to overcome these obstacles. According to the Governor, the goal of this work is to "see every Ohioan self-sufficient."

In response, the Council first developed and published ***Windows of Opportunity***, an inventory of Ohio's workforce development programs. This document identified $981 million in related workforce development funds that currently are channeled to at least 15 agencies, 31 workforce preparation programs and 20 supplemental programs. The result is a complicated web of job training services, funding streams, eligibility requirements and performance standards — with no clear strategic focus.

By providing a comprehensive plan for creating a high performance workforce, ***Jobs: Ohio's Future*** establishes a unified mission for Ohio's workforce development programs. It accommodates the need to remain flexible in workforce development, yet sets forth clear goals, strategies and action steps for both state government and its public and private sector partners. It is yet another step forward in Ohio's journey toward a competitive and successful economic future.

# Ohio's Workers:
## Vital Resources for a Competitive Advantage

In today's rapidly changing technological environment, and in an economy that is defined in global — not national — terms, it is no longer enough that everyone does their best. People must know what to do.

That is why employee development is an on-going requirement for a growing number of employers. It is why a growing number of companies are turning to Ohio's schools, colleges and universities — and to its statewide work training programs — to narrow the gap between the skills employees have and those they need.

Yet, this is no ordinary challenge — just as this is no ordinary time for Ohio. Economic survival demands new ways of working, learning and collaborating. Maintaining our current standard of living requires restructuring and changing to achieve a real competitive advantage. Increasingly, our standard of living will be dependent on the quality of Ohio's education and training systems, and on our ability to cooperatively address workforce development issues. At risk are the competitive survival of businesses, the continued viability of our educational institutions and the social stability of our communities.

### Three National Trends

To meet this challenge, Ohioans must be sensitive to three national trends — all of which will reshape the state's workforce in the 1990s and beyond.

First, numerous studies have documented the growing gap between the skill requirements of jobs and workers' capabilities — in Ohio and across the nation. Most notably, the Secretary's Commission on Achieving National Skills (SCANS) has reported that more than one-half of American young people leave school without the skills needed for meaningful and productive employment. This U.S. Department of Labor report has warned that a failure to upgrade their skills will mean "these young people, and those who employ them, will pay a very high price.... In the long run, this will have a negative impact on the quality of life all of us hope to enjoy."

Second, the American workforce is growing very slowly. The "baby boom" generation brought unprecedented numbers of new workers to the workforce and, with them, the economy grew from their sheer numbers. New workers from the "baby bust" generation will not enter the workforce in sufficient numbers to meet demand. The primary new labor force entrants will be females, minorities and others who have been previously unemployed, underemployed, disadvantaged, or otherwise under served by all systems. Increasing the products or provision of services from every worker will be the key to maintaining our standard of living.

Third, given the demands of a global economy, the United States cannot be successful if we compete on the basis of labor costs. Numerous national reports, including ***America's Choice: High Skills or Low Wages!***, have confirmed that we can compete on the basis of productivity — if we are willing to restructure how work is organized, and if we can produce a workforce with the basic skills and adaptability that is needed.

# The Emergence of a High Performance Economy

In its discussion of how America needs to change the way it works, ***America's Choice: High Skills or Low Wages!*** concludes: "By preparing more Americans for today's jobs we will, at best, perpetuate the nation's current slow rate of productivity growth and the incomes of most American workers will slide." Yet, there is an alternative, which involves understanding and responding to the requirements of ***high performance organizations***.

The basic tenets of high performance organizations include:

- ☐ Giving careful attention to the customer's quality, cost and delivery requirements.
- ☐ Integrating work into whole jobs, rather than discrete tasks and viewing labor as an investment, not a cost.
- ☐ Decentralizing authority and responsibility providing authority directly to workers to use judgment and make decisions.
- ☐ Making extensive channels of communication available — flowing up, down or across the organization and among workers.
- ☐ Reducing management layers as front-line workers assume responsibility for more tasks.
- ☐ Integrating work with formal and informal educational programs to expand the capacities and skills of workers.

High performance organizations have relatively little in common with the mass production organizations that have dominated our economy throughout most of the 20th century. Unlike mass production organizations, they do ***not*** depend upon extensive, hierarchical supervisory structures and elaborate administrative procedures. They do ***not*** assume that a few educated planners and supervisors will do all of the thinking, nor do they require a limitless supply of low skilled labor.

Instead, high performance organizations ask workers to use judgment and make decisions. So, not surprisingly, they require larger investments in education and training. They also demand higher wages, reflecting workers' greater qualifications and responsibilities. Productivity and quality gains more than offset the costs of higher wages and skills development.

While many organizations continue to cling to old forms of work organization, the future competitiveness of Ohio's economy will depend on our capacity to support — and encourage — the development of high performance organizations. It will require educational reforms that result in all students' abilities to achieve competency over challenging subject matter — including English, mathematics, science and history. It will require substantial investments in a diverse array of workforce development services. It will require that we design a comprehensive workforce development strategy for retraining Ohio's current workforce — and to prepare the state's future workers for the jobs of the 21st century.

# Developing a Strategic Plan

Strategic planning begins with the identification and definition of problems. This initial base line assessment gives us an understanding of the situation with which we are dealing. By improving our understanding of where we are, it helps us determine where we want to go and how we plan to get there.

Strategic planning also encourages ***vision***, which requires us to break out of traditional ways of doing business and to develop ideas about new and better approaches. It helps us set priorities, just as it focuses us on those purposes that we must pursue, those that are achievable, and those that will make a difference in people's lives.

In this context, the heart of the strategic plan outlined in this document is a ***mission statement*** — a definition of our fundamental purpose. While this mission statement, in part, is inspiration, it also provides a clear focus to all other elements of the plan. All goals, strategies and action steps are measured by and contained in its direction.

The design and implementation of this comprehensive workforce development plan will require new ways of doing business — and new ways of thinking about the organization of work in Ohio. Therefore, the strategies and action steps recommended here will be based on the following ideas:

- ***Shared vision***. All agencies and service providers involved in carrying out Ohio's workforce development plans must share a vision that focuses on the individual client and on outcomes that contribute to the individual's capacity for success in a high performance economy. This vision anticipates significant change and at the same time recognizes what is required to accomplish change.

- ***Inclusion of all segments of the workforce.*** Ohio's workforce development plan must ensure that unemployed and/or economically disadvantaged citizens become self-sufficient and effective employees. Demographic changes necessitate the long-term investment in developing high quality work skills for all Ohioans and drawing upon previously untapped sources of talent.

- ***Development of a high performance business climate***. Ohio's businesses must understand and respond to the high performance requirements of a global economy. Government must encourage and foster the transformation of Ohio's businesses to high performance. State government must provide resources to enable management and labor to understand why it is imperative and what it takes to become more competitive in the global market.

- ***Economic development/job creation.*** In addition to workforce development, efforts must simultaneously be undertaken to create new jobs through the expansion and retention of existing companies, the attraction of new companies to Ohio, and the creation of new enterprises within the state.

- ***Understanding of skills required.*** The SCANS report identifies the skills necessary to meet the changing demands of a world-class workforce. Without these skills our schools, our

students, our workers and our businesses will not prosper. SCANS categorizes the workplace "know-how" as illustrated below.

- ☐ ***Coordinating resources and service delivery.*** Workforce development programs and service delivery systems must be coordinated to serve the needs of a high performance economy, as well as to make efficient use of resources, maximize client benefits and improve the quality and range of services provided.

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### *Workplace Know-How*

The know-how identified by SCANS is made up of five competencies and a three-part foundation of skills and personal qualities needed for solid job performance.

**Competencies**. Effective workers can productively use:

⇨ ***Resources***: allocating time, money, materials, space and staff;

⇨ ***Interpersonal skills:*** working on teams, teaching others, serving customers, leading, negotiating and working well with people from culturally diverse backgrounds;

⇨ ***Information:*** acquiring and evaluating data, organizing and maintaining files, interpreting and communicating, and using computers to process information;

⇨ ***Systems:*** understanding social, organizational and technological systems, monitoring and correcting performance, and designing or improving systems; and

⇨ ***Technology:*** selecting equipment and tools, applying technology to specific tasks, and maintaining and troubleshooting technologies.

**The Foundation.** Competence requires:

⇨ ***Basic Skills:*** reading, writing, arithmetic and mathematics, speaking, and listening;

⇨ ***Thinking Skills:*** thinking creatively, making decisions, solving problems, seeing things in the mind's eye, knowing how to learn and reasoning; and

⇨ ***Personal Qualities:*** individual responsibility, self-esteem, sociability, self-management and integrity.

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# Ohio's Workforce Development Mission

Recognizing that Ohio's workforce must be capable of meeting the needs and expectations of high performance organizations, the Governor's Human Resources Advisory Council proposes the following workforce development mission statement:

***To achieve and maintain a high performance workforce in Ohio.***

Fostering a high skills, high quality, high performance workforce is a requisite for improving the competitiveness of Ohio businesses. With today's technological environment and increasingly global economy, competitiveness requires well-trained workers — people who can read, write, compute, reason, communicate and make decisions at a high performance level.

In order to achieve this purpose, fundamental changes will be needed in the way we educate Ohio's children, train Ohio's workers, support and strengthen families, and promote economic development and the creation of jobs. Ohio's workforce development mission also must have the support of all state agencies responsible for the education and training of Ohio's current workers, and of its potential workforce. It must be adopted and promoted by the Governor and all state agencies responsible for Ohio's economic- and human-resource development.

To be sure, some of the required changes are already being made, although these efforts are still in their early stages. Most notably, the "gap analysis" being prepared by the Governor's Education Management (GEM) Council will set forth an action agenda for all levels of education — from pre-kindergarten through post-secondary. Also, Ohio's Family and Children First initiative is coordinating the state's services to children and families, providing a shared vision and common agenda for several state departments and agencies with responsibilities in this area.

Yet, the Governor's Human Resources Advisory Council believes that a new commitment is needed to fully implement the workforce development strategies and action steps set forth in this document — and it encourages the Governor and all state agencies to integrate these new initiatives with those already in progress. Clearly, state government must act now to help Ohio companies adapt to new forms of work organization and to help produce a world-class workforce capable of meeting the needs of these companies.

# Ohio 1992: Where We Stand

By conventional yardsticks, Ohio's economic performance during the past 20 years fell short of what the people of this state had experienced and come to expect during the 1950s and 1960s. Where we were once a land of expanding opportunity — a leader in employment and income, with jobs, new businesses and a rate of economic growth that exceeded the national level — Ohio today is losing ground. We are falling behind the rest of the nation, just as the United States is losing ground compared to the rest of the world.

For Ohio, the economic upheaval of the last two decades has created a new reality, in which the goal of economic self-sufficiency for every Ohioan will be a challenge unfulfilled unless we design and carry out a well-directed, comprehensive workforce development program. To be successful, this program must be sensitive to such factors as Ohio's evolving industry/ occupational structure, as well as to demographic changes in the state's population that have direct consequences for the labor force.

- ☐ Ohio's increase in gross state product from 1979-1989 ranked 40th in the nation.
- ☐ Ohio's job growth will lag national growth projections through the year 2000.
- ☐ Ohio moved from 28th to 7th rank for number of public assistance recipients per 1000 between 1978 and 1988.
- ☐ Ohio's projected per capita income growth rate will lag the U.S. rate through the year 2038.

## Ohio's Economic Picture

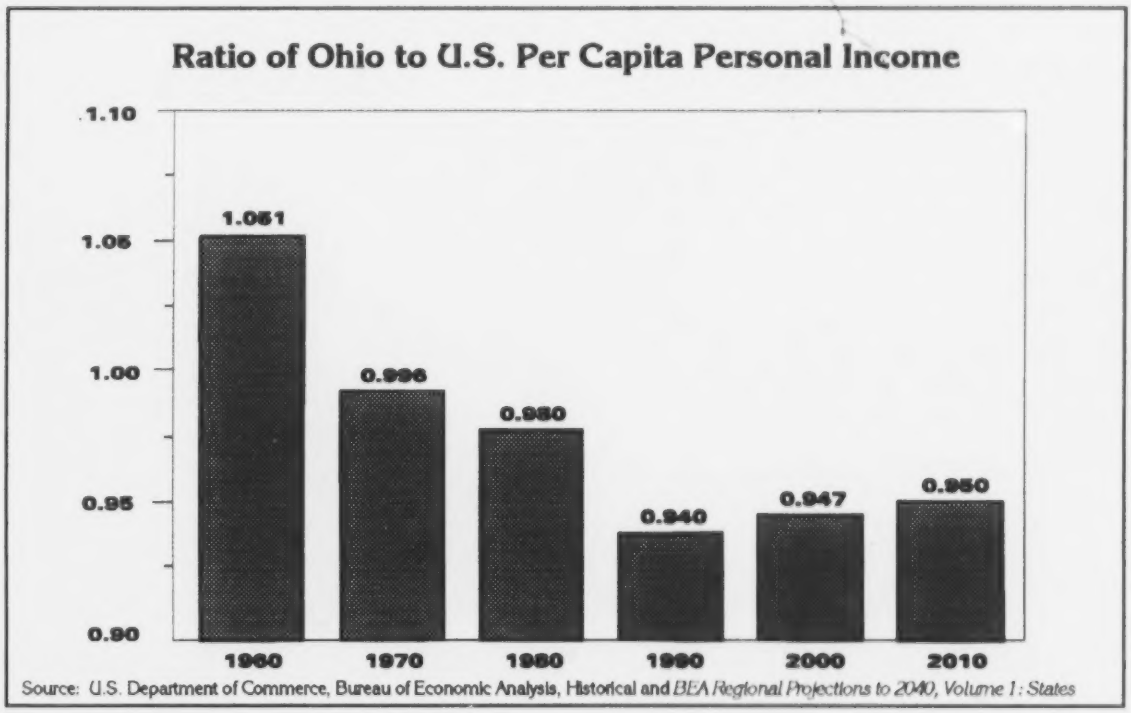
According to a new study by the Northeast-Midwest Institute, a Washington D.C.-based think tank, the growth in Ohio's ***gross state product*** between 1979 and 1989 ranked 40th among all states — a weak 17 percent. This is a particularly alarming fact since gross state product, which measures the total market value of goods and services produced, is the most comprehensive gauge of a state's economic activity.

Ohio also is projected to lag national projections for ***job growth*** through the year 2000. Estimated at 10.7 percent, the state's job growth rate will trail well behind the national job growth projection of 14.0 percent during the next decade.

Where job growth does occur, the prospect for the state's per capita income is disappointing. Of the 500,000 new jobs that Ohio's economy is expected to generate through the year 2000, most of them will be in service industries. The largest number of new jobs will be in areas that include retail salespersons, cashiers, health care workers and orderlies. These positions pay less than for skilled, technical and manufacturing employment. Consequently, Ohio's projected ***per***

***capita income growth rate***, on average, is expected to lag the national rate through the year 2010 — the year in which a child born in 1992 will graduate from high school.

Ohio's current and future economic picture is affected by several factors, including the state's tax climate. Based upon reports prepared by the Ohio Public Expenditure Council, the Governor's Human Resources Advisory Council believes that Ohio's state and local taxes, and its business taxes, reflect a moderate tax burden — one that continues to be below the Great Lakes states, the top industrial states and the U.S. average.



Source: U.S. Department of Commerce, Bureau of Economic Analysis, Historical and *BEA Regional Projections to 2040, Volume 1: States*

## Ohio's Population and Labor Force Trends

Gone are the days when the sheer number of new labor force entrants — brought on by the "baby boom" generation — guaranteed productivity increases throughout Ohio's economy. In fact, statistics show that Ohio is in the midst of an overall population decrease, estimated at 1.2 percent between 1985 and 1995. Even if long-term population growth projections (1960 to 2000) for Ohio hold true at 14 percent, our state will substantially trail national population growth of 49 percent.

As a consequence, Ohio's labor force trends reflect its overall population profile. Between 1980 and 1990, the growth in our state's labor force was one-half that for the period 1970-1980. Comparing 1995 projections with 1985, the number of new entrants (aged 16-24) will decline, the number of prime-age workers will increase considerably, and more workers will be women and members of minority groups. Women are projected to account for 46.7 percent of the labor force by 1995 — up from 1985. The number of non-whites is expected to increase by 91,000 to 11.7 percent of the labor force.

## Poverty Among Ohioans

Several important poverty indicators show that Ohio is losing ground and that the slide into poverty among more Ohioans — especially when compared to residents of other states — is becoming steeper. Between 1978 and 1988, the State of Ohio:

- ☐ rose from 28th to 7th in the number of public assistance recipients per 1,000 population;
- ☐ jumped from 32nd to 19th for social security recipients per 1,000 population;
- ☐ went from 22nd to 7th for food stamp recipients per 1,000 population;
- ☐ moved from 25th to 29th among the states in average AFDC (Aid to Families with Dependent Children) payments, reflecting the fact that assistance to Ohioans is not keeping pace with that for other Americans; and

Yet at the same time, Ohio moved from a ranking of 19th on public welfare expenditures to 11th.

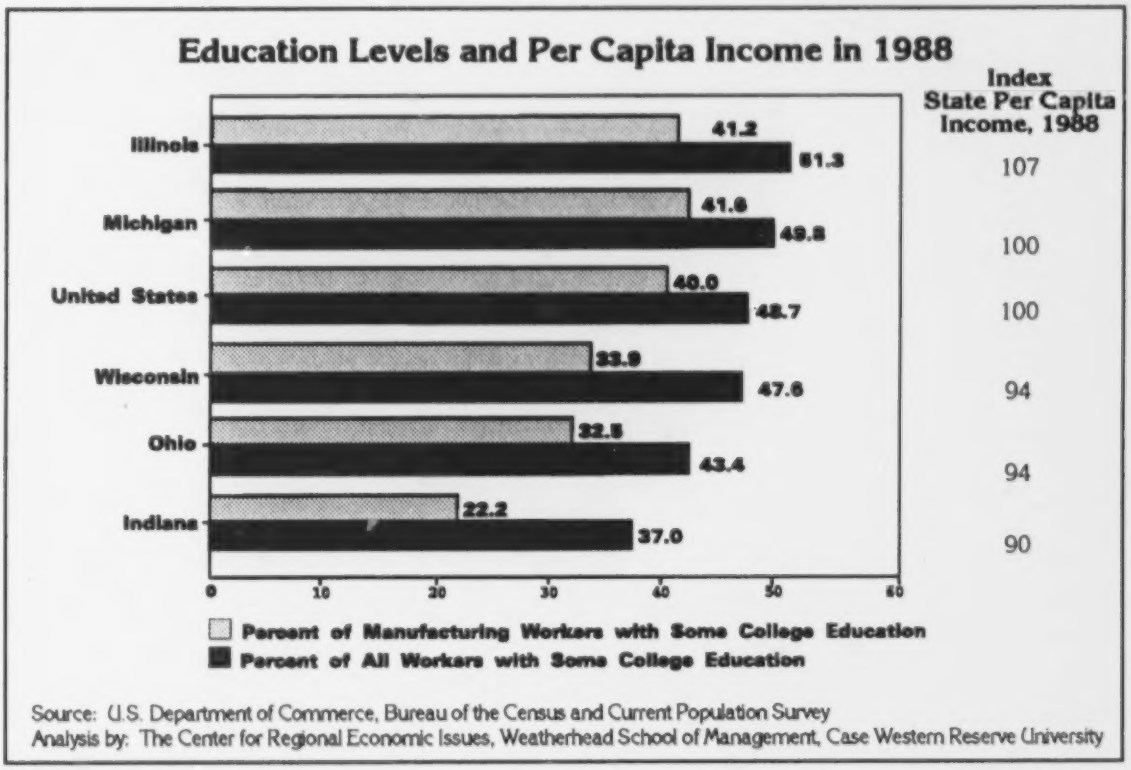
Children — our state's next generation of workers — are the poorest of all Ohioans. Child poverty increased in 73 of Ohio's 88 counties in the 1980s. During this same period, births to unwed teens increased by 50 percent statewide — as did the number of public school students receiving public assistance. As the 1980s came to a close, all three of Ohio's major indicators of child and maternal health — infant mortality, low birth weights and prenatal care rates — worsened.

## Education in Ohio

The most desirable jobs that hold some promise of employment opportunity through the turn of the century require, if not a full baccalaureate degree, then demonstrated academic ability (e.g., the ability to learn). This is where the demographic and educational trends become so critical to labor market survival. While there are some positive trends, the drop-out rate among high school students is increasing. The proportion of high school to higher education enrollments is 13 percent below the national average. In addition, Ohio lags behind the nation and the Great Lakes region in percent of the workforce and percent of manufacturing workers with some college education.

This is critical because export industries typically rely on a well-educated workforce. If Ohio does not improve its performance in education, the state will increasingly face a decline in employment and earnings as higher-skilled production and other jobs go elsewhere.

Again, it should be noted that significant steps have been taken in this area, under the direction of the GEM Council, the Ohio Department of Education and the Ohio Board of Regents. Already, emphasis is being shifted from a regulatory environment's focus on "inputs" to the "outcomes" of a results-oriented system of education. It is essential that these and other reforms be fully integrated into Ohio's comprehensive workforce development plan — and vice versa.




## Ohio's Current Workforce Development System

Before turning our attention to several strategies for creating Ohio's high performance workforce, it is important to understand the state's current workforce development system. Today, Ohio has a capable, comprehensive array of services available to meet the challenge of developing a high performance workforce. Yet, as ***Windows of Opportunity*** reveals, these services are characterized by a diffusion of responsibilities, a complex flow of funds, and a multitude of eligibility requirements, service providers and types of services.

Specifically, Ohio's current workforce development system is funded by $981 million in federal, state and other dollars. Yet, the complexity of this system disproves the adage that there is strength in numbers. For example:

- As many as ***15 state agencies*** currently provide workforce development services through approximately ***31 workforce preparation programs***.
- These agencies and programs are supplemented by ***20 additional programs*** that do not offer direct training assistance, but provide support services to people looking for work or training.
- At least ***16 advisory councils*** oversee all of these programs.
- More than ***22 categories of federal regulations***, and a diverse array of state and local regulations, govern the operations of Ohio's workforce development apparatus.

Missing from this labyrinth of programs and administrators is a single workforce development mission. While a number of valuable workforce training programs do exist within this system, they are entangled in a complicated and confusing web of services, differing eligibility requirements and competing service providers. Adding to this problems is the fact that the resources offered by many programs are targeted to specific groups or populations. As a whole, the 2.7 million Ohioans who now look toward the state's workforce development system for help are forced to sort through these obstacles for assistance.

A single, common mission for Ohio's job and career training programs would eliminate overlapping services and individual department responses to workforce training and education needs. More importantly, a single mission — linked to a comprehensive set of strategies and action steps — would allow Ohio to anticipate changing workplace conditions and training needs, instead of merely reacting to them.

# Strategies for Creating Ohio's High Performance Workforce

Ohio business is at a historic crossroad. During the 1990s and beyond, the fortunes of many businesses — and of the workers who are their most critical resource — will be determined as companies throughout the state decide how to compete in the face of rapid technological advances and an increasingly global economy. Confronted by these forces, business people will have to make pivotal decisions about capital, technology, natural resources, information and marketing ***Jobs: Ohio's Future***. Yet, far more important to the success of these enterprises will be the way they restructure their workplaces, remold their work patterns and employ their workers. How they respond to these challenges will determine Ohio's capacity to match workers' skills to the needs of employers.

It is for this reason that Ohio's workforce development mission, as defined by the Governor's Human Resources Advisory Council, is to achieve and maintain a high performance workforce in Ohio.

This is a vision that can — and must — be shared by all Ohioans. And in this context, Ohio's workforce development strategies should be directed at three essential goals:

***Goal #1: To make Ohio businesses more competitive in the global marketplace.***

***Goal #2: To ensure that all Ohioans — today's workers and the youth who will be tomorrow's workers — achieve the skills and abilities needed to succeed in a high performance workplace.***

***Goal #3: To help all Ohioans and their families to become self-sufficient.***

To achieve these three goals, the State of Ohio needs a comprehensive workforce development plan — a workable blueprint for action. At its core, this action plan must rest on the recognition that:

- ☐ Ohio's education system — like the nation's — is no longer competitive with those of other countries. The same can be said about the state's fragmented workforce development system.

- ☐ Ohio — like the nation — does not adequately prepare new workers for jobs, and it does not adequately train current workers for their present or future jobs.

- ☐ Ohio businesses — like companies nationwide — are not organized in a manner to take full advantage of workers' skills and abilities.

To achieve these goals, the Governor's Human Resources Advisory Council recommends the following strategies:

***Strategy A:*** ***Create a high performance business climate in Ohio — one that fosters economic growth and generates new job opportunities for Ohio workers.***

Action Step #1: Promote Ohio's commitment to the creation of a high performance business climate.

Action Step #2: Improve employers' access to technology.

Action Step #3: Provide integrated financial resources for employers for workforce development.

Action Step #4: Encourage private and public employers to educate their existing workforces and provide coordinated resources to assist in the implementation of education and training programs and related services.

Action Step #5: Transform the State of Ohio into a high performance employer.

***Strategy B:*** ***Improve the performance of Ohio's education system to ensure that all students acquire the basic skills necessary to compete in a global economy.***

Action Step #1: Design and implement programs to ensure that all Ohio students become competent in challenging subject areas, including English, mathematics, science, history and geography.

Action Step #2: Adopt a statewide policy on dropout prevention, intervention and retrieval to ensure that all Ohioans complete a high school degree or its equivalent.

Action Step #3: Expand and improve the effectiveness of Ohio's adult literacy, workforce literacy and lifelong learning programs.

Action Step #4: Give increased direction to the state's education/business partnerships.

Action Step #5: Turn Ohio's public schools and colleges into high performance organizations, through reforms in the way educational services are designed and implemented.

***Strategy C:*** ***Establish comprehensive and coordinated workforce training programs that will help all Ohio workers — today's and those of the future — acquire the workplace skills and abilities needed to function effectively in high performance organizations.***

Action Step #1: Develop a customer service approach to intake, assessment, case management and placement in all workforce development programs.

Action Step #2: Strengthen local coordination, planning and accountability in the delivery of workforce development services.

Action Step #3: Establish compatible performance standards for all workforce development programs, which support the workforce development mission, and apply these standards through a performance management system.

Action Step #4: Promote the sharing of information by all service providers in Ohio's education and workforce training system.

Action Step #5: Leverage state workforce development funds and services in order to maximize benefits for the system's customers.

***Strategy D:*** ***Remove the major barriers to employment and self-sufficiency for Ohio workers and families.***

Open new doors to employment and self-sufficiency for Ohioans by:

Action Step #1: making quality child care accessible and affordable.

Action Step #2: making quality health care accessible and affordable for all Ohioans.

Action Step #3: making Ohio's child support enforcement programs more effective.

Action Step #4: resolving the utility arrearage problem.

Action Step #5: ensuring that transportation services are available to all Ohioans.

Action Step #6: attacking discrimination as a barrier to employment opportunity.

Before exploring these strategies — and the action steps in which they will be reflected — it should be emphasized that state government cannot carry out this workforce development plan alone. To the contrary, many of the action steps contained in this report depend upon an expansion of private (i.e., business and labor) as well as public action — and upon cooperation among officials at all levels of government. In this respect, the state's role, in part, will be to serve as a ***catalyst***, offering incentives and providing assistance to businesses willing to confront the challenges of a high performance economy.

## *Strategy A: Create a high performance business climate in Ohio — one that fosters economic growth and generates new job opportunities for Ohio workers.*

In ***Rebuilding America's Workforce***, William H. Kolberg and Foster C. Smith assert that "the principal difference between productivity growth in the United States compared to its industrialized competitors is the inefficiencies of the American style of organization." In their view, the organization of too many American workplaces continues to be modeled after the manufacturing system made famous by Henry Ford nearly 100 years ago. With their "mass production" structures, these businesses have not been able to take advantage of technology, and they have persisted in seeking productivity improvements through capital investments — rather than through worker training and work reorganization.

For much of the twentieth century, mass production organizations have served this nation well. They helped make us rich — and for many years, they made the United States the world's leading manufacturer with the largest middle class. In this regard, Ohio has been no exception.

Yet today, this mass production organization — which assumes that efficiency is best achieved through hierarchical structures and elaborate administrative procedures that allow a few skilled planners and supervisors to control the work of a largely uneducated workforce — has become less appropriate for a high wage nation. In fact, ***America's Choice: High Skills or Low Wages!*** concludes that the United States, as a high wage nation, can succeed "only by producing higher quality products, providing customers with greater product variety, introducing new products more frequently and creating automated systems which are more complex than those that can be operated in low wage countries."

So the challenge facing the State of Ohio is to create a high performance business climate — one that encourages economic growth and generates new job opportunities for Ohio workers. If we do not meet this challenge, the state's education and workforce training initiatives will serve little purpose since they will be preparing today's workers — and those of the future — for jobs that do not exist.

The Governor's Human Resources Advisory Council believes that the development of a comprehensive economic growth strategy for Ohio is central to creating new jobs. The Council recognizes that a strategy is needed — and it encourages the Governor to ensure that this strategy be developed in a manner that fully integrates education, workforce training and human service initiatives set forth in this document.

The Council believes that Ohio's economic growth strategy should be developed with the cooperation of Ohio's business community and organized labor. It should be designed to create quality employment opportunities — jobs that pay enough for independence and self-sufficiency. It also needs to be sensitive to the plight of dislocated workers — Ohioans who have historically been part of the workforce, but who are now unemployed as a result of recession and/or structural changes in the state's economy.

The Council recommends that Ohio's economic growth strategy reflect several other considerations.

- ☐ It should recognize that Ohio companies — like their counterparts throughout the United States — invest far less in employee training and work reorganization than do businesses in other industrialized nations. In fact, across the nation, employers on average spend slightly more than one percent on formal worker training initiatives. Therefore, incentives must be developed to increase business investments in work reorganization and training, particularly of front-line, blue-collar workers who are the key to higher performance organizations.

- ☐ It should commit state government to identifying new global markets for Ohio's products, and to attracting new foreign investments to the state. Few industries within Ohio are immune from international competition. In the 1990s and beyond, the continuing integration of the world's markets will bring more competition, more transnational production and greater financial interdependency. By accepting the global challenge, Ohio businesses will be opening the doors to new economic opportunities — and hopefully, to new jobs for Ohio's workers. An emphasis on high performance organizations — and on developing a high performance workforce — will strengthen local companies' prospects for success as they compete with business in both advanced and developing nations.

In addition, the Council recommends that this economic growth strategy include the following five action steps:

***Action Step #1: Promote Ohio's commitment to the creation of a high performance business climate.***

In order to stimulate the development of a high performance business climate, the State of Ohio should design and carry out an aggressive "high performance" marketing campaign. In cooperation with other state departments and agencies, the Ohio Department of Development should pursue every opportunity to inform businesses about the opportunities and advantages of high performance organizations. Support should be given to the marketing of educational resources and capacity-building efforts of the Ohio Board of Regents and Department of Education.

The State of Ohio also should publicize what smart businesses are doing as models of high performance organizations. Companies that have made the transformation to high performance are the best models for others. These successes and processes for change should be documented and shared widely.

Finally, to focus attention on the issue of work reorganization and worker training, the State of Ohio should institute a statewide Quality Awards program — one that recognizes and promotes quality, excellence, productivity and improved workplace environments. Similar to the Malcolm Baldrige National Quality Award, this initiative would contribute significantly to Ohioans' awareness of quality and reorganization of work.

*Action Step #2:* ***Improve employers' access to technology.***

Companies in today's economy are working to preserve and expand their markets by reducing costs and increasing the quality of their products to international standards. The key for state agencies and programs trying to assist Ohio's economic development efforts is ***flexibility***. The state should take steps to support and coordinate efforts to move promising research and new technology from Ohio institutions of higher education, state and federal supported research centers and federal laboratories into the marketplace. Employers, especially small and medium companies, need assistance in identifying and accessing resources that can assist in maximizing current technological capabilities through increasing workers' skill levels as well as introducing new technologies that will improve productivity.

*Action Step#3:* ***Provide integrated financial resources for employers for workforce development.***

A broad array of financial resources related to developing a high performance organization are available to employers through various agencies. Services include the use of loans, tax adjustments, grants, bonds and training programs for targeted groups. Multiple programs from 15 state agencies with varied eligibility requirements present unforeseen barriers that most small firms do not have the time or resources to navigate. For small organizations, which employ 56 percent of the state's private sector workforce, the problems are exacerbated. Employers are hesitant to become involved in public programs because they believe government programs will involve a bureaucratic maze of red tape.

The identification and marketing of streamlined, coordinated financial resources in conjunction with a well-developed state supported education and training infrastructure will assist employers in meeting the challenge of building and keeping a qualified workforce.

*Action Step #4:* ***Encourage private and public employers to educate their existing workforce and provide coordinated resources to assist in the implementation of education and training programs and related services.***

Most business leaders recognize that building and keeping a qualified workforce is the most important issue American companies will face in the next decade. Private and public employers need to address both short term and long term skill needs of their employees.

Employers face barriers in implementing training programs including a lack of time and financial resources to develop programs and select appropriate education providers, and having to deal with training as a cost, rather than an investment. They need information about effective models for employee education.

Technical assistance and coordinated educational resources must be available to help employers build a competitive workforce in a global economy.

***Action Step #5: Transform the State of Ohio into a high performance employer.***

State government is one of Ohio's largest employers. It has more than 72,000 employees. It manages over $971 million in workforce development funds, and its workforce development services have an estimated 2.7 million customers. Like private sector organizations, state government must be transformed into a high performance organization. Therefore, the Council recommends that the following steps be taken:

- ☐ State government must pay more attention to customers' demands for quality, timeliness and choice. It must be committed to continually improving the products and services that it provides. And it must demand quality in all of the products and services that it purchases.

- ☐ As a high performance employer, all agencies of state government should identify opportunities to create high performance structures. They should increase, as resources allow, investments in the training and retraining of its own employees. As needed, state employees should receive training that improves their skills in literacy, problem solving, working on teams and customer services. They should be cross-trained on various programs and be fully knowledgeable about such program elements as eligibility criteria, program components, availability of services and performance requirements.

- ☐ State government must acquire and/or make use of modern technology in order to provide services more quickly and effectively.

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## *Strategy B: Improve the performance of Ohio's education system to ensure that all students acquire the basic skills necessary to compete in a global economy.*

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In the introduction to ***Creating Opportunities for Success***, Ohio's first annual progress report on education, Governor George V. Voinovich states: "Our students' performance on reading, mathematics, science and writing tests is not good enough. In fact, an estimated one-quarter of our high school students drop out before earning their diplomas — and far too many of our graduates do not possess the skills and basic knowledge needed for success in college — or to function fully as workers or citizens."

More than at any time in Ohio's history, education has become a prerequisite for economic self-sufficiency. No state, just as no nation, can produce a highly qualified technical workforce without first providing its workers with a strong general education. Without achieving basic competency in history, literature, geography, science and mathematics, our young people will not be able to grow, produce and succeed in the workplace.

Because our schools are not performing adequately today, education reform has become a rallying cry in Ohio and across the nation. The restructuring of our schools, like our workplaces, has become a top priority. While it is not the Council's responsibility — or intent — to establish education's agenda for the 1990s and beyond, it is committed to reforms that change the way schools prepare students for work and to workforce development initiatives that upgrade the skills of the employed, unemployed, underemployed and new labor–force entrants.

More specifically, the Council recommends that the state take the following steps to improve the performance of Ohio's education system — all of which are consistent with the six education goals set forth by Governor Voinovich in ***Creating Opportunities for Success***.

*Action Step #1:* ***Design and implement programs to ensure that all Ohio students become competent in challenging subject areas, including English, mathematics, science, history and geography.***

As ***Creating Opportunities for Success*** asserts: "If there is a 'bottom line' to Ohio's drive for education reform, this is it." In the 1990-1991 school year, only one-third of the 130,000 ninth-grade students who took Ohio's high school proficiency tests in reading, writing, mathematics and citizenship passed all four tests on their initial attempt. This is unacceptable, given our goal of ensuring that:

> *By the year 2000, all Ohio students will leave grades four, eight and twelve having demonstrated competency in challenging subject matter including English, mathematics, science, history, and geography; and every school in Ohio will ensure that all students learn to use their minds well, so they may be prepared for responsible citizenship, further learning, and productive employment in our modern economy.*

The Council acknowledges that several important steps toward improving student performance have already been taken, including the implementation of Ohio's Ninth-Grade Proficiency Tests, Reading Recovery program and the Ohio Department of Education's Third-Grade Guarantee which is designed to ensure that all participating students achieve specified learning outcomes by the end of second grade. Finally, the Council recommends a statewide information and student tracking system be established to monitor Ohio's Articulation and Transfer Initiative, as well as the Job Opportunities and Basic Skills (JOBS) Student Retention Program and other efforts.

*Action Step #2:* ***Adopt a statewide policy on dropout prevention, intervention and retrieval to ensure that all Ohioans complete a high school degree or its equivalent.***

Ohio's 1990-1991 adjusted graduation rate was estimated at 75.5 percent. This means that one in every four young Ohioans is leaving school before achieving competency in areas that are critical for later success in the workplace.

This action step should include the full implementation of Ohio's newly-established Education Management Information System (EMIS), which will enhance our ability to collect reliable graduation/dropout data — and to track individuals who return to school. It should involve the expansion of "prevention" initiatives that already have been proven successful, including the GRADS school-based program for pregnant students and young parents, and the Jobs for Ohio's Graduates (JOG) school-to-work program that targets at-risk seniors who are having difficulty graduating.

The Council believes that greater emphasis needs to be given to early intervention in the elementary and middle grades. Dropout prevention and intervention strategies should not focus exclusively on the conditions and characteristics of students and families (e.g., cyclical poverty, school absenteeism and lack of parental involvement). Instead, attention also should be given to how school policies and practices (e.g., inappropriate placement, ineffective disciplinary procedures and insensitivity to multi-cultural education) place students at risk. Also, the Council recommends that the Ohio Department of Education require all school districts to conduct annual assessments to identify non-graduates, no-show students and persons who do not complete the GED program. All Ohio high schools should be directed to design appropriate follow-up programs, based on the results of the assessment.

***Action Step #3:*** ***Expand and improve the effectiveness of Ohio's adult literacy, workforce literacy and lifelong learning programs.***

Nearly one-fifth of American workers, and nearly 40 percent of the nation's entry-level workers, lack the basic literacy skills needed to perform their jobs. By the end of this century, nearly 25 million American workers will need training or retraining.

Illiteracy on the job means lower productivity and quality, decreased opportunity for advancement and retention, and less chance to compete in today's higher-skilled workplace. A growing number of companies are recognizing that basic skills training on the job is an investment which improves employee morale, productivity and ability to learn new jobs and new ways of work. In turn, basic skills training programs are allowing these companies to make the transition to high performance — and to remain competitive. This transition will increase the demand for quality, well-coordinated workplace literacy programs.

Adult literacy and life-long learning also are goals of Ohio's education reform program, which acknowledges that "partnerships" are the keys to delivering effective, appropriate workplace basics. Programs must be designed, developed and implemented on a cooperative basis, with the full support of public- and private-sector organizations, state and local agencies, business and labor.

To strengthen Ohio's literacy and life-long education programs, the Council recommends three initiatives:

- ☐ Establish an information clearinghouse and provide support for the Ohio Literacy Network and workplace literacy programs. This multi-agency initiative should include the expansion

of consultation and technical assistance to programs, development of a curriculum loan library, accessibility to a cadre of literacy trainers, the recruitment of students and volunteers for local literacy programs, establishment of a statewide toll-free literacy hot line, and activities designed to increase awareness of literacy issues.

- ☐ Establish a comprehensive statewide training program for directors of Ohio's workplace literacy programs, develop a cadre of traveling trainers, assist in the establishment of new literacy programs and develop minimum program standards. This initiative would be administered by the Ohio Bureau of Employment Services.

- ☐ Provide incentives, including grant awards and public recognition from the Governor's Office to exemplary literacy training programs — particularly those that work together to meet the literacy and life-long learning needs of Ohio's citizens.

***Action Step #4: Give increased direction to the state's education/business partnerships.***

We must continue to strengthen the connection between education and work. Systemic reform in education — to ensure a flexible system that is more responsive to changing social and economic needs — will be required if we are serious about adequately preparing Ohio's citizens to participate successfully in high performance work organizations.

The Council recommends that the Ohio Bureau of Employment Services, Ohio Board of Regents, and Ohio Departments of Development and Education join to strengthen the roles of Private Industry Councils and Business Advisory Councils. These councils offer tremendous opportunities for the private sector to participate in the education and workforce training process. Improved direction should be given to the Business Advisory Councils — both in the state's secondary schools and technical colleges. All city, exempted village and county school districts are required to appoint such councils, but they should be assisted in developing their roles with local education systems.

***Action Step #5: Turn Ohio's public schools and colleges into high performance organizations, through reforms in the way educational services are designed and implemented.***

Creating a flexible, outcome-focused educational system must be a critical component of Ohio's comprehensive workforce development strategy. To improve our competitive position in today's global economy, everyone must be encouraged to be a life-long learner. This has significant implications for the current organizational structure of our systems of elementary, secondary and higher education — and for the programs and services they provide.

It also involves several specific actions, including:

- ☐ ***Giving site-based management greater emphasis in Ohio schools.*** Teachers and site-based administrators should be given more control over the educational process — and

they should be held accountable for outcomes. Also, teachers, principals and other school staff should be trained in shared decision-making, risk-taking and consensus building, as well as in appropriate substantive areas and innovations in instructional techniques.

- ☐ ***Increasing coordination in the delivery of education services,*** in order to achieve increased cost efficiencies and to ensure that all children and adults — regardless of the district or program in which they enrolled — receive a basic core of services.

- ☐ ***Expanding and strengthening the Tech-Prep program,*** which is a joint project of the Ohio Board of Regents and the Department of Education. This competency-based program of combined secondary and post-secondary educational and occupational experiences is revising basic curricula and creating systemic changes in the way people are trained for technical occupations.

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***Strategy C:*** ***Establish comprehensive and coordinated workforce training programs that will help all Ohio workers — today's and those of the future — acquire the workplace skills and abilities needed to function effectively in high performance organizations.***

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***Action Step #1:*** ***Develop a customer service approach to intake, assessment, case management and placement in all workforce development programs.***

Currently, intake and assessment for workforce development programs in Ohio are most often performed by local program operators. In most communities, each program operator has a separate location, unique forms and different information requirements for intake — as well as complex eligibility requirements which are different from those of other programs. Program operators generally do not share information, so customers who apply for services from different programs often must provide the same information several times and may be assessed several times using the same assessment tools.

While there are some initiatives in individual communities to coordinate and simplify the intake and assessment processes, the system is fragmented and presents the customer with a confusing and often frustrating problem of accessing the services they need.

To remedy this situation, the Council recommends that access to Ohio's workforce development services should be made easier by:

- ☐ ***Providing multiple access points in each community for the full range of workforce development programs.*** This can be achieved by (1) creating local workforce development centers, which provide intake services for most or all programs; (2) providing electronic

access to intake processes through computer systems at sites other than the particular program's service location (e.g., libraries and neighborhood centers); and (3) providing mail and phone access to intake processes.

- ☐ ***Assuring that services are accessible by public transportation and to individuals with disabilities*** — including access to self-service computer equipment and counter areas.

- ☐ ***Assuring that current information about all workforce development programs is available at all service points in the local community.*** This can be accomplished by cross-training staff so they are informed about other programs, providing customers with information on the full range of programs for which they may be eligible or interested, and using customer-friendly computer systems, written materials and trained staff.

- ☐ ***Providing intake, assessment , case management and placement services in a customer service environment that conveys a positive and professional image.*** Service points are facilities which must be clean and attractive and present a positive image. Since many customers have children who must accompany them, service points should accommodate children. Staff should be trained in customer service and monitored for customer service performance.

- ☐ ***Simplifying intake processes.*** Customers should receive clearly presented information about the intake process and about the services which are available. Written materials should be at an appropriate reading level and all forms used for intake should be simplified using an appropriate reading level. Also, legal or regulatory requirements should be identified that can be changed to simplify the intake and eligibility determination processes. Unnecessary duplicative intake processes should be eliminated. Common definitions and data items should be developed across all programs. And, customer information should be shared among programs using computer systems to eliminate duplicate work for customers.

- ☐ ***Eliminating the duplication of assessment capacity and processes.*** A local directory of assessment capacity should be developed to identify who in the community has the qualifications and experience to administer and interpret commonly used assessment tools (especially standardized tests). Cooperative arrangements should be developed among local workforce development programs on assessment, including who will do the assessment and interpretation, how the assessment information will be shared among programs for individual customers, and how costs will be covered. A certification process should be developed to document the qualifications of assessment staff. A set of state recommended assessment tools and processes should be developed to encourage use of common tools and shared results among programs.

- ☐ ***Developing a strong case management policy.*** This would ensure that customers are guided through the maze of agencies, programs and needs by a single, well-trained manager who would work on behalf of the customers, with all of these agencies and programs.

*Action Step #2:* ***Strengthen local coordination, planning and accountability in the delivery of workforce development services.***

There must be joint sharing of accountability and responsibility for all employment and training programs. Where a community, not an individual agency in the community, is responsible for all of its programs, local agencies and community leaders will:

- develop cooperative attitudes,
- support their mutual needs and common goals,
- find access to additional resources, and
- increase operational efficiency and reduce duplicative efforts.

Coordination and planning processes should be strengthened to develop common goals which address local economic and social conditions and draw on local resources. These processes should be broadened to encompass the full range of workforce development programs in each community and to involve all appropriate agencies and business and labor representatives. Responsibility and accountability for service delivery and performance must be clearly assigned.

*Action Step #3:* ***Establish compatible performance standards for all workforce development programs, which support the workforce development mission — and apply these standards through a performance management system.***

Most workforce development programs have developed or are in the process of developing performance standards to measure program effectiveness. Because they have been developed independently, there is no consensus on how to measure overall success. Even if there was consensus, the data elements and definitions necessary to measure success vary across programs. The workforce development system must develop congruent performance standards. To achieve this, three steps must be taken.

☐ ***Identify areas of compatibility and conflict.*** Presently, Ohio's workforce development programs use a variety of formal performance measures. (See exhibit on page 26.) These performance standards, while unique to each program, have areas of congruence and similarity. Employment or educational outcome measures are common. Several programs stress process measures, such as participation in certain prescribed activities, rather than outcomes.

As a result, some programs have conflicting goals. The most common potential conflict is between the goal of immediate employment and the goal of skill development. One program may be encouraging a client to seek and accept a low-skilled, low-paying employment opportunity with the hope that the work experience itself will be beneficial to the client and improve chances for better employment.

At the same time, a placement can be credited to that program. Another program serving the same client may be encouraging the client to delay employment in order to attain skills necessary for a job with a better future. Ohio must reconcile these conflicting philosophies and goals and establish congruent means of measuring long-term self-sufficiency as the ultimate goal of all programs.

- ☐ ***Market the benefits of common standards.*** A coordinated performance standards system is needed to ensure that program goals are consistent with clear, overall workforce development policy goals are specific to the missions, objectives and expertise of individual agencies, do not result in duplicative services and truly measure the accomplishments of the workforce development system. A coordinated performance management system provides the foundation for coordination, improves all programs' capabilities to work together and enhances accountability to the public and the people we serve. Complimentary standards address practical operational problems caused by different ways technical issues and philosophical approaches are dealt with in various agencies and programs. Each program can then be accountable to meet overall goals, see how each contributes to the goals and take corrective action if problems occur.

- ☐ ***Establish an inter–agency performance management system.*** An inter-agency management system should be established by the Governor to (a) examine each agency's performance standards and related data elements and definitions, and to (b) develop performance goals, measures, standards, incentives and sanctions that can be used to evaluate employment and training performance and formulate state and local policy.

*Action Step #4:* ***To promote the sharing of information by all service providers in Ohio's education and workforce training system.***

One of the largest responsibilities of all workforce development programs is the management of vast amounts of information. Multiple collection, storage, tracking and analysis of this data is demeaning and confusing to clients. It is costly and duplicative for service providers. The following five types of information must be shared:

- ☐ ***Common Planning Information.*** Through the State Occupational Information Coordinating Committee (SOICC), information should be collected, analyzed and portrayed in a format that would be used by all agencies for planning purposes. Trend data are needed using both the 1980 and 1990 census (at a minimum) that is organized by county, SDA, and perhaps other geographical areas that would be useful to some of the agencies. United Way of Ohio is another good source for data on "disadvantaged" populations. The SOICC could be a clearinghouse for planning data that is updated regularly and produced in a fact book that allows easy access by the employment and training community. In addition to the traditional Labor Market Information data used by SOICC, the following trend data are needed:

  - occupational supply/demand by educational requirements,
  - occupational supply/demand by race and age, and
  - information on specific "disadvantaged" groups and characteristics

- ☐ **Client Information.** Information collected from and about customers of the workforce development system should be shared among all agencies. Once information is collected, it should be transmitted in an appropriate and confidential manner. In some cases, management information systems should and can be linked. This can be expensive and time-consuming. Additional means of sharing information must also be explored.

## *Workforce Development Program Performance Measures*

| Agency | Program | Performance Measures |
|---|---|---|
| Aging | Senior Community Service Employment | Unsubsidized placement rate. |
| DOE | JTPA, Title IIA, 8% | Placement and retention in unsubsidized employment, and weekly earnings at follow-up. |
| DOE | Postsecondary Adult Vocational Education | Percentage of students available for placement upon program completion, employed after program completion, and students employed in occupations related to training. |
| DOE | Secondary Vocational Education | (Same as above.) |
| BES | Employment Services | Individuals placed, obtained employments, combined individuals placed/obtained employments, and placement transactions. |
| BES | JTPA, Title IIA, Older Workers 3% | Placement rate. |
| BES | JTPA, Title IIA, Adult and Youth 78% | Follow-up employment rate and weekly earnings for adults and welfare recipients, and entered employment and employability enhancement rates for youth. |
| BES | JTPA, Title III, EDWAA | Placement and retention in unsubsidized employment, and average wage. |
| BES | Unemployment Compensation | Promptness and accuracy of benefit payments, tax collections, overpayment recovery, cash management, and audits. |
| DHS | Food Stamp Employment Program | Participation rate of those served. |
| DHS | Job Opportunities and Basic Skills | Participation rate of nonexempt case load. |
| MH | Chapter One | Individual student progress, individuals served and diagnosed as severe behavior handicapped, average daily enrollment, and others. |
| MH | JTPA, Title IIA, 8% | Number of placements, average wage per hour of placed participant, total cost per participant, and other standards. |
| MH | Office of Jobs and Education | Cost per participant, type of placement, hourly wages, number of hours worked per week, hours of services received, hours of case management services, and percent of individuals with severe mental disabilities who have work income. |
| Regents | JOBS Student Retention | Demographics of AFDC/JOBS students, academic performance, retention rates, and number of two-year colleges participating. |
| Regents | Technical Education | Placement in jobs related to training. |
| R & C | JTPA, Title IIA, 8% | Job placement activities and follow-up placement reviews. |
| RSC | Vocation Rehabilitation Services | Satisfactory performance in employment for sixty days or ninety days. |
| BWC | Rehabilitation Services | Maintained 2.0 grade point average and full time student status for training, and requirements outlined by case manager and employer for on-the job training. |
| Youth | Aftercare Subcontracts | Entered employment and employability enhancement as defined. |

If there is a common intake site, where all the information needed by all the client-serving agencies is collected at one time, individual files could be built on clients and pertinent information shared with the appropriate serving agency.

- ☐ **Resource Information.** In order to "bring the services to clients," a way of identifying and sharing information on community resources is needed to assist clients and frontline personnel who work most closely with the clients. Each community needs an on-line, user friendly, easy to update, resource inventory of providers of the following client services:
  - child care
  - health care
  - career counseling
  - safety
  - housing
  - food
  - transportation
  - education (public & private)
  - job placement (public & private)

  With the microwave and computer networking capacity that currently exists in Ohio, this system should not be difficult to establish. Most communities already have an inventory and some of the information exists on a statewide data base.

- ☐ ***Monitoring/Tracking Information.*** Again, the networking capacity of Ohio's computer systems should be used to share and/or transfer client files among client service agencies. Within legal guidelines, it should be possible to build client files upon intake and transfer pertinent information on the clients to the serving agencies via computer networks. With a common ID, each individual could be tracked from one service program to another to be sure he/she doesn't fall between the cracks.

- ☐ ***Evaluation Information.*** Imagine what the world would be like if all agencies helped promote one another's successes rather than pointing fingers and being competitors! With this type of information sharing, both on clients and program successes, for the first time accurate longitudinal studies would be possible to see first hand what works and what does not work. Sharing data offers numerous opportunities for research and evaluation about what works, what doesn't work and who benefits most from particular service strategies. It also provides the basis for developing common performance standards, monitoring progress toward those standards periodically and taking corrective action to eliminate problems.

***Action Step #5: Leverage state workforce development funds and services in order to maximize benefits for the system's customers.***

The current array of workforce development funds and services too often is provided independently. Differing legislative restrictions on the use of funds for specific client groups or services often exacerbate this problem.

Leveraging funds and services can significantly multiply their impact. Perhaps the most obvious new frontier to be addressed in enhancing Ohio's high performance workforce development capacity is the creation of state policy and a mechanism that will assure the most efficient and effective deployment of all resources to impact systemic change and maximize benefits to clients. To achieve this, four initiatives are recommended:

- ☐ ***Funds from different sources should be leveraged for a common cause.*** Acknowledging that various funding sources, particularly those appropriated through federal legislation, may have different objectives and accountability criteria, the related dollars can be aggregated with other federal and/or state funds and services in ways that multiply their impact. Ohio has a variety of funds which the Governor or state agencies can utilize to reinforce state policy priorities and multiply impact. All sources of funds available to leverage should be identified up front in a collaborative planning process to leverage change.

- ☐ ***Ohio's Tech Prep model should be replicated.*** A recent example of leveraging dollars to impact systematic change involves the Ohio Tech Prep Program, authorized under the Carl D. Perkins Vocational and Applied Technology Education Act of 1990 (P.L. 101-392). At the state level, an ad hoc committee comprised of representatives from the Ohio Board of Regents, the Ohio Department of Education, and practitioners from the community college and vocational education systems, reached consensus and developed statewide, Tech Prep policies for the administration of Tech Prep funds.

  These funds will support demonstration projects to drive systemic change at the institutional level. In order to be eligible for Tech Prep dollars, participant institutions will have to: form local consortia involving both secondary and postsecondary institutions; create a common employer-based advisory committee representing high tech occupational fields; cooperatively commit local dollars that may result in writing logically sequenced, competency-based curricula spanning the last two years of high school and the two year associate degree program; jointly share training facilities; share in staff development; coordinate and share instructional faculty; and cooperatively maintain exceptionally close relationships with local employers.

- ☐ ***Services should be leveraged to maximize benefits to individual clients.*** Every agency must be able to coordinate resources for individual clients. State policies must encourage rather than hinder this. "Doing more with less" requires capitalization of resources, both financial and human, to maximize return on investment and customize services according to each client's unique needs.

  The following are examples of available services to leverage:

  - JTPA funds can be invested with companies to hire individuals within targeted populations (economically disadvantaged, limited skills), assess the individual's skills, pay partial wages, and provide basic skills to get that individual hired and retained within the workforce.

  - The Ohio Bureau of Employment Services can offer skill assessment and job placement opportunities.

  - The Ohio Department of Human Services can assist with special employment needs (e.g., day care, lodging, transportation, medical, training, etc.). Vocational education can invest funds within adult education through the schools (e.g., schools also offer day care, skill assessment, job placement, etc.).

- The Ohio Board of Regents can offer companies the opportunity for program and curriculum development within two-year colleges offering special educational opportunities.

- Ohio Industrial Training Program (OITP) funds can be invested with companies to hire individuals, assess their basic skills, train in basic skills and advance individuals' skills through formal or on-site technical training.

☐ A leveraging plan for services must determine who can do what. If programs join in a partnership to service a client's needs, a one-time expense could be incurred to assess, train, place and train on the job. Assessment of the following criteria could be used to leverage services for individuals according to their unique needs: types of funds and/or services needed in order to meet the client's needs; terms and/or flexibility available within the funding/service source; required changes to the funding/service source standards of operation; lead agency; the location of "Right to Voice" in management and/or liability of the agreement(s); and accounting arrangements.

With a solid foundation in place and responsibility for the issues above clearly established, leveraging governmental programs has distinct advantages. It can place the focus upon the success of the client, not just the monetary return on investment from employment. Services would make sense to clients and would be sequenced to efficiently meet their needs. Working toward a one-time investment with a "holistic" approach to the client's needs, would save the taxpayers' contributions, reduce duplication, and conserve the state's time and resources. It would also enhance the ability to serve additional clients and potentially allow a broader range of services with higher quality.

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### *Strategy D: Remove the major barriers to employment and self-sufficiency for Ohio workers and families.*

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In order to achieve Ohio's workforce development mission, the state's workplaces must be reshaped — and education and job training programs must be restructured. Yet, these initiatives alone will not be successful. Instead, they must be supported by a variety of changes in the delivery of social and health services that, if effective, can remove many of the major barriers to employment and self-sufficiency in Ohio.

The need for change is reflected in the Voinovich Administration's ***Ohio Family & Children First*** initiative, which is developing a comprehensive policy for assisting Ohio's families and children. Service delivery systems developed over the last thirty years tend to address specific problems but ignore people's overall needs. Consequently, they often do not allow for long-term assistance, and they frequently do not permit children and families to develop the skills necessary to become self-reliant.

To have a positive impact on Ohio's children, the state must work to develop healthy family environments. From an employment perspective, this means removing significant barriers — many of which reflect substantial changes in the demographic make-up of Ohio's workforce. With the growth of females, non-whites and older workers in the workforce — along with the growth of single-parent households and the number of working poor families — increasing demands are being made for services that address the need for child care, child support, health care and transportation. These demographic changes also highlight the importance of attacking discrimination.

Given its commitment to fostering Ohio's high performance economy, while addressing the needs of the state's long-term, hard-to-serve unemployed population, the Governor's Human Services Advisory Council recommends six action steps designed to remove the barriers to employment and self-sufficiency in Ohio.

***Action Step #1: Open new doors to employment and self-sufficiency by making quality child care accessible and affordable.***

Child care is now a commonplace experience for Ohio youngsters. As more couples work and single parent families increase, more children participate in child care programs. Last year, an estimated 200,000 Ohio children were enrolled in the state's nearly 3,000 licensed child care programs. Thousands more were cared for by neighbors or in private homes known as family day care programs.

Yet, for tens of thousands of Ohio families, child care continues to be a serious problem. In 1990, only 2.8 percent of the 350,000 Ohio children on Aid to Families with Dependent Children (AFDC) under age 13 received day care assistance. Only 15,000 of the state's estimated 300,000 children in low-income working families received day care aid. And fewer than one-fourth of the state's 1,600 all-day child care programs served poor children.

The recent enactment of House Bill 155 offers some relief to this situation. Signed by Governor Voinovich in mid-1991, this legislation streamlines five separate federal child care programs, creating a unified state program for child care centers and families. But the enactment of a new law is not enough. In the implementation of House Bill 155, therefore, the Council recommends that the Ohio Department of Human Services link new child care services closely to private sector employment opportunities.

Specifically, the Council recommends that the state's $100 million a year child care program be implemented in ways that support parental choice, encourage flexible hours and accommodate multiple ages of children — especially infants. It also recommends that a substantial portion of the $5 million a year in available grants and loans be used to develop child care facilities at or near workplaces that employ a substantial number of low-income workers.

*Action Step #2:* ***Open new doors to employment and self-sufficiency by making quality health care accessible and affordable for all Ohioans.***

Few issues on Ohio's public policy agenda are more critical to the future of the state's businesses — and its workers — than health care. Every day, we learn more about staggering cost increases and about the difficulty that many employers — particularly small businesses — have finding health insurance coverage that they can afford. We also learn more about the 1.1 million Ohioans, most of whom are counted among the "working poor," who have neither the resources to pay for needed health care services — nor the health insurance that covers this care.

For Ohioans on public assistance, the loss of health benefits continues to be a major deterrent to obtaining employment. Admittedly, the Family Support Act builds in a one-year transition period where health benefits are still available after employment. But what happens after one-year in an economy where health benefits too often are not provided?

Recognizing that health care is a concern for many people, including public assistance recipients, the growing number of working poor, recently dislocated workers, displaced homemakers and the many Ohioans working without health care benefits, the Council recommends that Ohio's leaders — through legislative and administrative actions — find affordable solutions that guarantee all Ohioans access to quality, appropriate health care services and provide answers to the state's increasingly critical health care cost crisis.

*Action Step #3:* ***Open new doors to employment and self-sufficiency by making Ohio's child support enforcement programs more effective.***

Ohio's child support program affects the well-being of more children than any other state program, with the exception of public education. More than one million Ohio youngsters are potentially in need of child support because their parents divorced or never married in the past 12 years.

For the custodial parent, child support — if it is not received — can also be a formidable barrier to job training and employment. Without support for children, or with erratic support, the custodial parent often must rely on public assistance. Once on public assistance, the custodial parent is faced with a variety of other barriers to self-sufficiency.

Presently, Ohio's leaders are working to simplify and strengthen Ohio's child support enforcement system. This is a critical effort — one that must be continued, if not intensified. The Council supports state legislators' and administrative officials' efforts to:

- ☐ concentrate efforts on the children of unmarried parents, since only 14 percent of these children receive support, while three-fourths of the children of divorced parents receive child support; and

- ☐ simplify the child support system by taking all uncontested cases out of Ohio's court system.

The Council also recommends that two pilot projects — in Montgomery and Butler counties — which provide non-custodial parents with employment and training services be monitored closely. These projects should be expanded if it is determined that they are effective in providing income support for Ohio's children.

***Action Step #4:*** ***Open new doors to employment and self-sufficiency by resolving the utility arrearage problem.***

When Ohioans are receiving public assistance, their utility bills accrue. When they leave the welfare rolls, their accrued debts to the utility company come due.

In many cases, each debt can be in the thousands of dollars. So for some families, particularly those headed by single head-of-household females, growing utility debts can become insurmountable barriers — powerful disincentives to seek, obtain and retain employment.

In recent years, a variety of solutions have been sought to this problem. Today, the Public Utilities Commission of Ohio and the Ohio Department of Human Services are discussing ways to overcome this barrier. The Council encourages these state agencies to persist in this effort — and to find a solution that allows newly employed Ohioans to successfully make the transition from public assistance to self-sufficiency.

***Action Step #5:*** ***Open new doors to employment and self-sufficiency by ensuring that transportation services are available to all Ohioans.***

During the past 20 years, job opportunities in Ohio suburbs have grown, while the number of job openings in the state's central city areas have decreased substantially. Several factors have contributed to this mismatch between where the labor force's new entrants live and where jobs are located, including the growth of the state's service industries, the decline in manufacturing, advanced technology and communications, and growing concerns about inner-city crime and pollution.

Transportation is an important component of Ohio's workforce development program. The Council recommends that the Ohio Department of Transportation, in cooperation with Ohio's political subdivisions, develop new public transit systems designed to link current and future workers to job opportunities — and that they expand existing transportation services to individuals with disabilities or who are elderly.

The Council also recommends that the Ohio Department of Human Services review current restrictions on the fair market value of cars owned by the recipients of public assistance. Presently, the Food Stamps program restricts the car value to $4,500, while AFDC sets this limit at $1,500. Yet, a reliable car, particularly in rural areas and other communities without

public transportation, is critical. The existing limitations on the value of automobiles can perpetuate or exacerbate transportation problems, which can easily become an insurmountable barrier to job training, employment and self-sufficiency.

*Action Step #6:* ***Open new doors to employment and self-sufficiency by attacking discrimination as a barrier to employment opportunity.***

Discrimination against minorities, women, older workers and individuals with physical and/or mental disabilities has long been recognized as a major barrier to securing long-term employment stability and advancement. For many Ohioans, this discrimination in employment has meant years of dependence on public assistance.

The Council recommends that the Governor exert leadership in attacking this persistent discrimination. It also recommends that new initiatives be developed and carried by several state agencies, including the Ohio Civil Rights Commission, the Ohio Departments of Development and Education, the Commission on Socially Disadvantaged Black Males, and the Ohio Bureau of Employment Services, to ensure that all Ohioans — regardless of race, color, religion, gender, national origin, physical and/or mental disability, age or ancestry — have equal access to workforce training and employment opportunities.

## The Next Steps

Improving the competitiveness of Ohio businesses must be one of state government's highest priorities. The key to this heightened competitiveness — and to self-sufficiency for all Ohioans — is the development of a high skills, high quality, high performance workforce.

***Windows of Opportunity*** was the Governor's Human Resources Advisory Council's first step in this direction. Released in January 1992, ***Windows*** identifies and describes public programs that are funded by federal and state government and that contribute to the development of a skilled workforce in Ohio. ***Jobs: Ohio's Future***, with a clear statement of Ohio's workforce development mission and its strategic recommendations for the development of Ohio's high performance workforce, represents a second step.

The next steps? They involve translating the goals, strategies and action steps contained in this document into a concrete implementation plan — with specific program parameters, timelines, and assignments of responsibility.

This will be a challenging task — one that will demand new ways of thinking, a solid commitment to action, visionary leadership and a lot of hard work. Achieving Ohio's workforce development mission also will require stronger and more effective partnerships among local communities, the private sector and state government. These are critical steps in Ohio's journey toward a competitive and successful economic future.

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